

U.S. House and Senate Notification
Thursday, February 23, 2012

To: Congressional Health Staff

From: Jennifer Boulanger
Acting Director, Office of Legislation
Centers for Medicare & Medicaid Services

Re: CMS Proposes Definition of Stage 2 Meaningful Use of Certified EHR Technology

The Centers for Medicare & Medicaid Services (CMS) today announced a proposed rule for Stage 2 criteria for the Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs. Under the Health Information Technology for Economic and Clinical Health Act, part of the American Recovery and Reinvestment Act of 2009, eligible health care professionals, eligible hospitals, and critical access hospitals can qualify for Medicare and Medicaid incentive payments when they adopt certified EHR technology and use it to demonstrate “meaningful use” of that technology.

In this rule, CMS proposes to (1) specify Stage 2 criteria that eligible professionals, eligible hospitals, and critical access hospitals must meet in order to qualify for an incentive payment, (2) change the program timeline, and (3) describe the payment adjustments. More specifically,

- The proposed Stage 2 criteria for meaningful use focus on increasing the electronic capturing of health information in a structured format, as well as increasing the exchange of clinically relevant information between providers of care at care transitions. In addition, the proposed rule includes new objectives that have greater applicability to many specialty providers.
- CMS is also proposing an extension of Stage 1, so that providers have an additional year for implementation of Stage 2 criteria. In our July 28, 2010 final rule, we established that any provider who first attested to Stage 1 criteria in 2011 would have to begin using Stage 2 criteria in 2013. This proposed rule delays the onset of those Stage 2 criteria for those providers until 2014.
- Finally, Medicare payment adjustments are required by statute to take effect in 2015. The rule proposes that any eligible professional or hospital that demonstrates meaningful use in 2013 would avoid a Medicare payment adjustment in 2015. Also, eligible hospitals that meet the criteria by July 3, 2014 and eligible professionals that meet the criteria by October 3, 2014 would avoid the Medicare payment adjustment. CMS is also proposing exceptions to the payment adjustment in certain circumstances.

A copy of a fact sheet regarding this announcement is attached. If you have any questions about this notification, please contact the CMS Office of Legislation at 202-690-8220. Thank you.